# House File 96 - Introduced

HOUSE FILE 96
BY PETTENGILL

# A BILL FOR

- 1 An Act providing for the regulation of transportation network
- 2 companies, and providing penalties.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

- 1 Section 1. NEW SECTION. 321N.1 Short title.
- 2 This chapter shall be known and may be cited as the
- 3 "Transportation Network Company Act".
- 4 Sec. 2. NEW SECTION. 321N.2 Definitions.
- 5 As used in this chapter, unless the context otherwise 6 requires:
- 7 l. "Local authorities" means local authorities as defined 8 in section 321.1.
- 9 2. "Participating driver" or "driver" means a person who
- 10 operates a motor vehicle in connection with a transportation
- 11 network company's online-enabled application or platform to
- 12 offer or provide riders with transportation network company
- 13 services. "Participating driver" does not include a person
- 14 who provides services for, or who is under contract with, a
- 15 political subdivision or other entity exempt from federal
- 16 income tax under section 115 of the Internal Revenue Code. A
- 17 participating driver is not required to be an employee of a
- 18 transportation network company.
- 19 3. "Transportation network company" or "company"
- 20 means a person operating in this state that provides
- 21 prearranged transportation services for compensation using
- 22 an online-enabled application or platform to connect riders
- 23 with participating drivers. "Transportation network company"
- 24 does not include a motor carrier as defined in section 325A.1,
- 25 a private carrier as defined in section 325A.1, a charter
- 26 carrier as defined in section 325A.12, a common carrier, a
- 27 taxicab service, a transportation service arranged through
- 28 a transportation broker, a ridesharing arrangement, a
- 29 transportation service provided over fixed routes at regular
- 30 intervals, or a political subdivision or other entity exempt
- 31 from federal income tax under section 115 of the Internal
- 32 Revenue Code. A transportation network company is not required
- 33 to own, control, operate, or manage a motor vehicle operated by
- 34 a participating driver.
- 35 4. "Transportation network company insurance" means a

- 1 liability policy that covers a participating driver's operation
- 2 of a motor vehicle while providing transportation network
- 3 company services or in connection with a transportation network
- 4 company's online-enabled application or platform.
- 5 5. "Transportation network company rider" or "rider" means
- 6 a passenger being transported by a participating driver in
- 7 a motor vehicle that complies with the requirements of this
- 8 chapter. "Transportation network company rider" includes a
- 9 person or group of persons who use a transportation network
- 10 company's online-enabled application or platform to communicate
- ll with a participating driver to obtain transportation network
- 12 company services in the driver's motor vehicle.
- 13 6. "Transportation network company services" or "services"
- 14 means the transportation of a rider by a driver with whom the
- 15 rider was matched through a transportation network company's
- 16 online-enabled application or platform.
- 17 Sec. 3. NEW SECTION. 321N.3 Regulatory power local
- 18 authorities permits.
- 19 1. Notwithstanding any other provision of law to the
- 20 contrary, transportation network companies are governed
- 21 exclusively by this chapter.
- 22 2. A local authority shall not subject a transportation
- 23 network company or participating driver to rate, entry,
- 24 operational, or common carrier requirements, or any other
- 25 requirements, except as set forth in this chapter. A local
- 26 authority may enact an ordinance consistent with this chapter
- 27 relating to the administration of this chapter by the local
- 28 authority, including but not limited to ordinances relating to
- 29 permits, penalties, safety requirements, and proof of financial
- 30 liability coverage.
- 31 3. A taxicab or shuttle service provider that ceases to
- 32 provide taxicab or shuttle services and begins to provide
- 33 transportation network company services pursuant to this
- 34 chapter shall not be subject to local ordinances regulating
- 35 taxicab or shuttle services.

- 1 4. If a rider files a complaint with a local authority
- 2 against a transportation network company or participating
- 3 driver, the local authority may inspect the company's records
- 4 as is reasonably necessary to investigate and resolve the
- 5 complaint.
- 6 5. a. A person shall not operate a transportation network
- 7 company in this state without a permit.
- 8 b. A local authority may issue a permit to a transportation
- 9 network company if the company satisfies the requirements of
- 10 this chapter and pays an annual fee, as determined by local
- 11 ordinance, equal to the reasonable costs to the local authority
- 12 of regulating transportation network companies divided by the
- 13 number of transportation network companies operating within the
- 14 jurisdiction of the local authority.
- 15 c. A local authority shall determine the form and manner of
- 16 an application for a transportation network company permit.
- 17 d. A local authority may deny a transportation network
- 18 company permit application or refuse to renew a permit if the
- 19 transportation network company has not paid a civil penalty
- 20 assessed by the local authority.
- 21 e. A local authority may suspend, revoke, alter, or amend a
- 22 permit issued to a transportation network company.
- 23 f. A local authority may assess a civil penalty against a
- 24 transportation network company or a participating driver only
- 25 as provided in this chapter.
- 26 Sec. 4. NEW SECTION. 321N.4 Insurance.
- 27 l. Notwithstanding any other provision of law to the
- 28 contrary, this chapter governs the requirements of insurance
- 29 policies issued to a transportation network company or a
- 30 participating driver and the obligations of the parties to the
- 31 insurance policies.
- 32 2. A transportation network company or a participating
- 33 driver shall maintain transportation network company insurance
- 34 as required by this section. A transportation network company
- 35 shall file proof of any transportation network company

- 1 insurance maintained by the company, or by a driver with the
- 2 transportation network company, with the local authority in
- 3 the city or county in which the driver will be providing
- 4 transportation network company services.
- 5 3. From the moment in which a participating driver accepts
- 6 a request from a rider over the transportation network
- 7 company's online-enabled application or platform until the
- 8 moment the driver completes the transaction on the company's
- 9 online-enabled application or platform or the ride is complete,
- 10 whichever is later, the transportation network company
- 11 insurance shall provide for coverage in all of the following
- 12 amounts:
- a. One million dollars for death, bodily injury, and
- 14 property damage resulting from any one accident.
- 15 b. Uninsured motorist coverage and underinsured motorist
- 16 coverage in the amounts required under section 516A.1.
- 17 c. Collision physical damage coverage and comprehensive
- 18 physical damage coverage in the amounts carried by the
- 19 participating driver for operation of the motor vehicle for
- 20 purposes other than those stated in this chapter, unless the
- 21 insurer providing the coverage for operation of the motor
- 22 vehicle for purposes other than those stated in this chapter is
- 23 also providing transportation network company insurance to the
- 24 driver.
- 25 4. a. Subject to paragraph "b", the requirements of
- 26 subsection 3 may be satisfied by any of the following:
- 27 (1) Transportation network company insurance maintained by
- 28 the participating driver.
- 29 (2) Transportation network company insurance maintained by
- 30 the transportation network company.
- 31 (3) A combination of subparagraphs (1) and (2).
- 32 b. Insurance maintained pursuant to paragraph "a",
- 33 subparagraph (1) or (3), shall satisfy the requirements of this
- 34 section only if the transportation network company verifies
- 35 that the participating driver maintains transportation network

- 1 company insurance and the policy covers the driver's operation
- 2 of the motor vehicle in connection with the transportation
- 3 network company's online-enabled application or platform.
- 4 5. From the moment in which a participating driver logs
- 5 on to the transportation network company's online-enabled
- 6 application or platform until the driver accepts a request
- 7 from a rider over the company's online-enabled application or
- 8 platform, and from the moment in which the driver completes
- 9 the transaction on the company's online-enabled application or
- 10 platform or the ride is complete, whichever is later, until
- 11 the driver accepts another request from a rider over the
- 12 company's online-enabled application or platform or logs off
- 13 the online-enabled application or platform, the transportation
- 14 network company insurance shall provide for coverage in all of
- 15 the following amounts:
- 16 a. Coverage for bodily injury or death equal to or greater
- 17 than the amounts required under section 321A.1, subsection 11.
- 18 b. Uninsured motorist coverage and underinsured motorist
- 19 coverage in the amounts required under section 516A.1.
- 20 c. Collision physical damage coverage and comprehensive
- 21 physical damage coverage in the amounts carried by the
- 22 participating driver for operation of the motor vehicle for
- 23 purposes other than those stated in this chapter, unless the
- 24 insurer providing the coverage for operation of the motor
- 25 vehicle for purposes other than those stated in this chapter is
- 26 also providing transportation network company insurance to the
- 27 driver.
- 28 6. The requirements of subsection 5 may be satisfied by any
- 29 of the following:
- 30 a. Transportation network company insurance maintained by
- 31 the participating driver.
- 32 b. Transportation network company insurance maintained by
- 33 the transportation network company that provides financial
- 34 liability coverage in the event the participating driver's
- 35 insurance under paragraph a has ceased to exist or has

- 1 been canceled, or the participating driver does not maintain
- 2 transportation network company insurance.
- 3 c. A combination of paragraphs "a" and "b".
- 4 7. Where the transportation network company insurance
- 5 maintained by a driver to satisfy the requirements of this
- 6 section lapses, is canceled, fails to provide coverage, denies
- 7 a claim, or ceases to exist for any reason, the transportation
- 8 network company insurance of the transportation network company
- 9 shall maintain the coverage required by this section beginning
- 10 with the first dollar of a claim.
- 11 8. An insurer providing transportation network
- 12 company insurance to a transportation network company or a
- 13 participating driver shall defend and indemnify the insured.
- 14 Coverage pursuant to a transportation network company insurance
- 15 policy shall not be contingent on the denial of a claim by
- 16 another insurer of the insured covered by the transportation
- 17 network company insurance.
- 9. a. From the moment in which a participating driver
- 19 logs on to the transportation network company's online-enabled
- 20 application or platform until the driver logs off the
- 21 online-enabled application or platform or the rider exits the
- 22 vehicle, whichever is later, all of the following apply:
- 23 (1) The participating driver's or the motor vehicle owner's
- 24 insurance policy shall not provide coverage to the driver, the
- 25 vehicle owner, or a third party, unless the policy explicitly
- 26 provides for coverage during the period of time this paragraph
- 27 "a" is applicable, with or without a separate premium, or the
- 28 policy contains an amendment or endorsement that explicitly
- 29 provides for coverage during the period of time this paragraph
- 30 "a" is applicable, and a separate premium is charged.
- 31 (2) The insurer of the participating driver or the motor
- 32 vehicle owner shall not have the duty to defend or indemnify
- 33 claims related to transportation network company services,
- 34 unless the policy explicitly provides for coverage during the

-6-

35 period of time this paragraph "a" is applicable, with or without

- 1 a separate premium, or the policy contains an amendment or
- 2 endorsement that explicitly provides for coverage during the
- 3 period of time this paragraph "a" is applicable, and a separate
- 4 premium is charged.
- 5 b. Notwithstanding any other provision of law to the
- 6 contrary, an insurer may offer an insurance policy, or an
- 7 amendment or endorsement to an existing policy, that covers the
- 8 operation of a private passenger vehicle, station wagon-type
- 9 vehicle, sport utility vehicle, or a similar type of vehicle,
- 10 with a passenger capacity of eight persons or less, including
- 11 the driver, used to provide transportation network company
- 12 services, only where the policy explicitly provides for
- 13 coverage during the period of time paragraph a is applicable,
- 14 with or without a separate premium, or the policy contains an
- 15 amendment or endorsement that explicitly provides for coverage
- 16 during the period of time paragraph "a" is applicable, and a
- 17 separate premium is charged.
- 18 10. During the investigation of a claim, a transportation
- 19 network company or its insurer shall cooperate with the
- 20 other insurers involved in the investigation to facilitate
- 21 the exchange of information, including but not limited
- 22 to the dates and times during which an accident occurred
- 23 involving a participating driver, and the times during which
- 24 the participating driver was logged on to the transportation
- 25 network company's online-enabled application or platform.
- 26 ll. A participating driver shall carry proof of
- 27 transportation network company insurance coverage at all
- 28 times during which the driver is operating the motor vehicle
- 29 in connection with a transportation network company's
- 30 online-enabled application or platform. In the event of an
- 31 accident, a participating driver shall provide the proof, upon
- 32 request, to a peace officer and any party to the accident.
- 33 Sec. 5. NEW SECTION. 321N.5 Other motor vehicle
- 34 requirements.
- On behalf of a transportation network company, a

- 1 mechanic certified by the national institute for automotive
- 2 service excellence or other nationally recognized certifying
- 3 organization shall conduct a safety inspection of the
- 4 motor vehicle of a person before the company permits the
- 5 person to act as a participating driver. Thereafter, a
- 6 mechanic certified by the national institute for automotive
- 7 service excellence or other nationally recognized certifying
- 8 organization shall conduct a safety inspection of the motor
- 9 vehicle at least once per year. A safety inspection required
- 10 by this subsection shall ensure the motor vehicle complies with
- 11 the applicable safety requirements for the permit issued by the
- 12 applicable local authority pursuant to section 321N.3.
- 2. A transportation network company, or a third party on
- 14 behalf of a transportation network company, shall retain an
- 15 accurate safety inspection record for the motor vehicle of a
- 16 participating driver for at least fourteen months after the
- 17 safety inspection was conducted.
- 18 3. A motor vehicle used to provide transportation network
- 19 company services shall display an exterior mark designating
- 20 the vehicle as a vehicle eligible to provide transportation
- 21 network company services pursuant to this chapter and any local
- 22 ordinance adopted by the applicable local authority pursuant
- 23 to section 321N.3.
- 24 Sec. 6. NEW SECTION. 321N.6 Driver requirements.
- 25 l. Before permitting a person to act as a participating
- 26 driver on its online-enabled application or platform, a
- 27 transportation network company shall verify that the person has
- 28 all of the following qualifications:
- 29 a. The person is at least twenty-one years of age.
- 30 b. The person possesses a valid Iowa driver's license.
- 31 c. The person possesses a valid proof of financial liability
- 32 coverage card as defined in section 321.1, subsection 54B,
- 33 for the motor vehicle to be used for providing transportation
- 34 network company services.
- 35 d. The person possesses a valid Iowa registration for the

- 1 motor vehicle to be used for providing transportation network
  2 company services.
- 3 e. After October 1, 2015, the person possesses proof that 4 the person is medically fit to drive, if such proof is required
- 5 by an ordinance adopted by the applicable local authority
- 6 pursuant to section 321N.3.
- 7 2. a. Before permitting a person to act as a participating
- 8 driver on its online-enabled application or platform for the
- 9 first time, and every three years thereafter, a transportation
- 10 network company shall review a report on the driving history
- 11 of the person. A person with any of the following shall not
- 12 qualify to be a participating driver:
- 13 (1) More than three moving violations in the three-year
- 14 period preceding the person's application to qualify to be a
- 15 participating driver.
- 16 (2) One or more moving violations punishable by more than a
- 17 scheduled fine in the three-year period preceding the person's
- 18 application to qualify to be a participating driver.
- 19 b. A transportation network company, or a third party on
- 20 behalf of a transportation network company, shall retain an
- 21 accurate driving history report for a participating driver for
- 22 at least three years after the last time the participating
- 23 driver logged on to the transportation network company's
- 24 online-enabled application or platform.
- 25 3. a. Before permitting a person to act as a participating
- 26 driver on its online-enabled application or platform for the
- 27 first time, and every five years thereafter, a transportation
- 28 network company shall perform a state criminal history
- 29 background check and a national criminal history background
- 30 check on the person. The company may charge the person a
- 31 fee for performing the background checks required by this
- 32 subsection. A person shall not qualify to be a participating
- 33 driver if any of the following are true:
- 34 (1) The person has been convicted of, or has pled guilty to,
- 35 violating section 321J.2 or 321J.2A, or any equivalent law of

- 1 another state, in the seven-year period preceding the person's 2 application to qualify to be a participating driver.
- 3 (2) The person has been convicted of, or has pled guilty
- 4 to, a felony in the five-year period preceding the person's
- 5 application to qualify to be a participating driver.
- 6 (3) The person has been convicted of, or has pled quilty
- 7 to, an offense against property, an offense involving unlawful
- 8 sexual behavior, or an offense involving violence.
- 9 b. A transportation network company, or a third party on
- 10 behalf of a transportation network company, shall retain an
- 11 accurate criminal history record for a participating driver
- 12 for at least five years after the criminal history background
- 13 checks were performed.
- 4. A participating driver shall not provide services to
- 15 a rider unless a transportation network company has matched
- 16 the driver to the rider through the company's online-enabled
- 17 application or platform. A driver shall not solicit or accept
- 18 requests from a rider in any other manner, including a request
- 19 from a rider hailing the driver from the street.
- 20 5. A participating driver shall not offer transportation
- 21 network company services for more than sixteen hours, or
- 22 provide transportation network company services for more than
- 23 twelve hours, in any one twenty-four-hour period.
- 24 6. A transportation network company shall implement
- 25 a policy prohibiting the use of drugs or alcohol by a
- 26 participating driver while the driver is logged on to the
- 27 transportation network company's online-enabled application
- 28 or platform, or while the driver is providing transportation
- 29 network company services. The transportation network company
- 30 shall make the policy available on its internet site and
- 31 online-enabled application or platform.
- 32 Sec. 7. NEW SECTION. 321N.7 Disclosure requirements.
- 33 1. A transportation network company shall disclose all of
- 34 the following information to a participating driver in writing
- 35 prominently placed in the company's terms of service, which

- 1 the driver shall sign, either physically or electronically,
- 2 before logging on to the company's online-enabled application
- 3 or platform for the first time:
- 4 a. The amounts and terms of liability coverage provided by
- 5 the company to the driver while the driver operates a motor
- 6 vehicle in connection with a transportation network company's
- 7 online-enabled application or platform.
- 8 b. That the driver's personal motor vehicle liability policy
- 9 may not provide coverage when the driver operates a motor
- 10 vehicle in connection with a transportation network company's
- 11 online-enabled application or platform.
- 12 c. That if the driver's motor vehicle has a lien against
- 13 it, the driver shall notify the lienholder that the driver
- 14 is operating the vehicle in connection with a transportation
- 15 network company's online-enabled application or platform.
- 16 2. A transportation network company shall make available to
- 17 prospective riders and drivers the method for determining the
- 18 fares and rates charged, and the option to receive an estimated
- 19 fare.
- 3. Upon completion of a prearranged ride, a transportation
- 21 network company shall transmit an electronic receipt to the
- 22 rider by electronic mail or text message containing all of the
- 23 following information:
- 24 a. The point of origin and the destination of the
- 25 prearranged ride.
- 26 b. The total duration and distance of the prearranged ride.
- 27 c. The total fare charged to the rider, including the base
- 28 fare and any additional charge incurred for the duration or
- 29 distance of the prearranged ride.
- 30 d. The driver's name and telephone number.
- 31 4. A transportation network company shall make available to
- 32 riders a customer support telephone number on its internet site
- 33 and online-enabled application or platform.
- 34 Sec. 8. NEW SECTION. 321N.8 Refusal of service.
- 35 l. If a participating driver and a prospective rider

- 1 are matched through a transportation network company's
- 2 online-enabled application or platform, the company and driver
- 3 shall provide services to the rider in a nondiscriminatory
- 4 manner. The driver shall not refuse to provide services to a
- 5 rider unless any of the following apply:
- 6 a. The rider is acting in an unlawful, disorderly, or 7 dangerous manner.
- 8 b. The rider is unable to care for himself or herself and is 9 not in the care of a responsible companion.
- 10  $\,$   $\,$   $\,$   $\,$   $\,$  The driver has already committed to providing services
- 12 2. A participating driver shall immediately report the
- 13 driver's refusal to provide services to a rider pursuant
- 14 to subsection 1 to the transportation network company. A
- 15 transportation network company shall annually report all such
- 16 refusals to provide services by participating drivers within
- 17 the jurisdiction of a local authority to the local authority in
- 18 a form and manner determined by the local authority.
- 19 3. A transportation network company shall not impose any
- 20 additional fare, rate, or fee on a rider with a physical
- 21 or mental disability because of the rider's disability. A
- 22 participating driver shall permit a service dog or assistive
- 23 animal, as defined in section 216C.11, to accompany a rider on
- 24 a prearranged ride.

11 to another rider.

- 25 4. Within ten days of a rider submitting a complaint to
- 26 a local authority that a participating driver has violated a
- 27 provision of this section, the local authority shall report the
- 28 complaint to the transportation network company for which the
- 29 driver provides services.
- 30 5. A transportation network company is not liable for a
- 31 participating driver's violation of a provision of this section
- 32 unless the driver's violation has been previously reported to
- 33 the company in writing and the company failed to reasonably
- 34 address the driver's violation.
- 35 6. The local authority may assess a civil penalty of up to

- 1 five hundred fifty dollars to a transportation network company
- 2 or a participating driver for a violation of this section.
- 3 Sec. 9. Section 321.1, subsection 8, Code 2015, is amended
- 4 by adding the following new paragraph:
- 5 NEW PARAGRAPH. j. A participating driver, as defined in
- 6 section 321N.2, is not a chauffeur.
- 7 Sec. 10. Section 325A.1, subsections 6, 7, and 13, Code
- 8 2015, are amended to read as follows:
- 9 6. "Motor carrier" means a person defined in subsection 8,
- 10 9, or 10, but does not include a transportation network company
- 11 or a participating driver, as defined in section 321N.2.
- 12 7. "Motor carrier certificate" means a certificate issued
- 13 by the department to any person transporting passengers on any
- 14 highway of this state for hire, other than a transportation
- 15 network company or a participating driver, as defined in
- 16 section 321N.2. This certificate is transferable.
- 17 13. "Private carrier" means a person who provides
- 18 transportation of property or passengers by motor vehicle,
- 19 is not a for-hire motor carrier or a transportation network
- 20 company or a participating driver, as defined in section
- 21 321N.2, or transports commodities of which the person is
- 22 the owner, lessee, or bailee and the transportation is a
- 23 furtherance of the person's primary business or occupation.
- 24 Sec. 11. Section 325A.11, Code 2015, is amended to read as
- 25 follows:
- 26 325A.11 Passenger transportation.
- 27 In addition to the requirements of subchapter 1, motor
- 28 carriers of passengers and charter carriers shall comply with
- 29 the requirements of this subchapter. A transportation network
- 30 company and a participating driver, as defined in section
- 31 321N.2, need not comply with the requirements of subchapter 1
- 32 or 2.
- 33 Sec. 12. Section 325A.12, subsection 3, Code 2015, is
- 34 amended by adding the following new paragraph:
- 35 NEW PARAGRAPH. e. A transportation network company or a

```
1 participating driver, as defined in section 321N.2.
```

- 2 Sec. 13. Section 327D.1, Code 2015, is amended to read as
- 3 follows:
- 4 327D.1 Applicability of chapter.
- 5 This chapter applies to intrastate transportation by
- 6 for-hire common carriers of persons and property. However,
- 7 this chapter does not apply to regular route motor carriers
- 8 of passengers or charter carriers, as defined under section
- 9 325A.12, or a transportation network company or a participating
- 10 driver, as defined in section 321N.2.
- 11 EXPLANATION
- 12 The inclusion of this explanation does not constitute agreement with
- the explanation's substance by the members of the general assembly.
- 14 This bill provides for the regulation of transportation
- 15 network companies (TNCs).
- 16 The bill defines a TNC as a person or entity that provides
- 17 prearranged transportation services for compensation using
- 18 an online-enabled application or platform to connect riders
- 19 with drivers. It does not include a motor carrier, a
- 20 private carrier, a charter carrier, a common carrier, a
- 21 taxicab service, a transportation service arranged through
- 22 a transportation broker, a ridesharing arrangement, a
- 23 transportation service provided over fixed routes at regular
- 24 intervals, or a political subdivision. A TNC is not required
- 25 to own, control, operate, or manage a motor vehicle operated
- 26 by a participating driver. The bill defines "participating
- 27 driver" as a person who operates a motor vehicle in connection
- 28 with a TNC's online-enabled application or platform to offer
- 29 or provide riders with TNC services. A participating driver
- 30 is not required to be an employee of a TNC. The bill further
- 31 defines "local authority", "transportation network company
- 32 insurance", "transportation network company rider", and
- 33 "transportation network company services".
- 34 The bill provides local authorities with limited regulatory
- 35 power over TNCs and drivers. A local authority may enact

- 1 ordinances consistent with the bill, including but not
- 2 limited to ordinances related to permits, penalties, safety
- 3 requirements, and proof of financial liability coverage. The
- 4 bill permits local authorities to issue a permit to a TNC if
- 5 the TNC satisfies the requirements of the bill and pays an
- 6 annual fee.
- 7 The bill requires TNCs and drivers to carry certain amounts
- 8 of liability coverage specifically related to providing TNC
- 9 services. TNCs and drivers must file proof of the required
- 10 coverage with the applicable local authority. Where the TNC
- 11 insurance maintained by a driver to satisfy the requirements
- 12 of the bill lapses, is canceled, or ceases to exist for any
- 13 reason, the TNC is required to maintain coverage in the amounts
- 14 required by the bill. The bill provides for various terms,
- 15 conditions, and duties of the parties relating to TNC insurance
- 16 coverage. Drivers are required to carry proof of TNC insurance
- 17 coverage at all times during which the driver is operating
- 18 a motor vehicle in connection with a TNC's online-enabled
- 19 application or platform.
- 20 Before a driver can provide TNC services, the bill requires
- 21 the driver's vehicle to pass a safety inspection conducted by
- 22 a certified mechanic. After the initial inspection, annual
- 23 safety inspections are required. A TNC must retain an accurate
- 24 safety inspection record for the motor vehicle of a driver for
- 25 at least 14 months after the safety inspection was conducted.
- 26 A motor vehicle providing TNC services is required to display
- 27 an exterior mark designating the vehicle as a vehicle eligible
- 28 to provide TNC services.
- 29 To become a driver, the bill requires that a person must
- 30 be at least 21 years of age, possess a valid Iowa driver's
- 31 license, possess a valid proof of financial liability coverage
- 32 card, possess a valid Iowa registration, and, after October 1,
- 33 2015, possess proof that the person is medically fit to drive.
- 34 Persons with various moving violations or criminal convictions
- 35 are excluded from eligibility. A TNC must perform a driving

- 1 history check every three years, and a criminal background
- 2 check every five years. A TNC must retain an accurate driving
- 3 history report for a driver for at least three years after the
- 4 last time the driver logged on to the TNC's online-enabled
- 5 application or platform, and an accurate criminal history
- 6 record for a driver for at least five years after the criminal
- 7 history background check was performed.
- 8 The bill prohibits a driver from soliciting or accepting
- 9 "street hails". A driver is also prohibited from offering
- 10 services for more than 16 hours, or providing services for more
- 11 than 12 hours, in any one 24-hour period. The bill requires
- 12 a TNC to implement a policy prohibiting the use of drugs or
- 13 alcohol by a driver while the driver is logged on to the TNC's
- 14 online-enabled application or platform, or while the driver is
- 15 providing services. The TNC is required to make the policy
- 16 available on its internet site and online-enabled application
- 17 or platform.
- 18 The bill further requires a TNC to disclose certain
- 19 information to drivers, including the amounts and terms of
- 20 liability coverage provided by the TNC to the driver while the
- 21 driver operates a motor vehicle in connection with the TNC's
- 22 online-enabled application or platform, and the fact that
- 23 the driver's personal motor vehicle liability policy may not
- 24 provide coverage when the driver operates a motor vehicle in
- 25 connection with a TNC's online-enabled application or platform.
- 26 If a driver's motor vehicle has a lien against it, the driver
- 27 must notify the lienholder that the driver is operating the
- 28 vehicle in connection with a TNC's online-enabled application
- 29 or platform.
- 30 The bill also requires TNCs to make available the method
- 31 of calculating fares, and the option to receive an estimated
- 32 fare. After a ride, a TNC must submit an electronic receipt to
- 33 the rider. In addition, a TNC must make available to riders
- 34 a customer support telephone number on its internet site and
- 35 online-enabled application or platform.

```
1
      The bill provides that TNCs and drivers shall provide
 2 services to riders in a nondiscriminatory manner.
                                                      The bill
 3 further provides that a driver may only refuse service to a
 4 rider if the rider is acting in an unlawful, disorderly, or
 5 dangerous manner, the rider is unable to care for himself or
 6 herself and is not in the care of a responsible companion,
 7 or the driver has already committed to providing services to
 8 another rider. The bill requires a driver to immediately
 9 report to the TNC the driver's refusal to provide services to
10 a rider. The bill prohibits a TNC from imposing additional
ll fares, rates, or fees on a rider with a physical or mental
12 disability because of the rider's disability. The bill also
13 requires a driver to permit a service dog or assistive animal
14 to accompany a rider on a prearranged ride. The bill provides
15 that a local authority may assess a civil penalty of up to $550
16 to a TNC or driver for a violation of these provisions.
      The bill excludes TNCs and drivers from various definitions
17
18 and requirements relating to the transportation of passengers
19 for hire that appear elsewhere in the Code.
```